

Last week, I was pleased to join Governor Robert Bentley and Austal USA interim president Brian Leathers in marking another milestone for the local Navy ship builder. The State of Alabama and Austal finalized a five-year, \$5 million agreement to provide training for 1000 more workers in Austal's aluminum shipyard.

Austal continues to transform the skyline and the workforce of the Port City. Only a dozen years ago, the Australian company landed on the banks of the Mobile River with an idea to bring a new class of cutting-edge aluminum bodied warships to America. Today, at 3,600 workers, Austal is on a path to become one of the area's largest private employers.

Last month, Austal completed a year-long major expansion of its huge Module Manufacturing Facility, and it also dedicated a new three-story office building. The company's giant assembly bays and enormous manufacturing complex now dominate the riverside landscape opposite downtown Mobile. Austal says the MMF building alone is large enough to hold all of the football fields of the Southeastern Conference, including end zones.

Last week, Governor Bentley announced that the Alabama Industrial Development Training program (AIDT) has committed to train another 1,000 workers in the skills of aluminum ship manufacturing as the shipyard ramps up to full capacity over the next several years.

Austal currently has Navy contracts to build 10 shallow-water trimaran Littoral Combat Ships, valued at \$3.5 billion. It is also busy building ten Joint High Speed Vessels for the Navy, worth a total \$1.6 billion. While the Pentagon has capped their JHSV buy at ten ships, the Navy has the option to buy up to 55 total LCSs – half of which are expected to be built by AUSTAL.

The first JHSV, the USNS Spearhead, recently completed its builder's trials in the Gulf of Mexico, and the second JHSV, the Choctaw County, which is still under construction, will be christened on September 15. On May 3, 2012, I had the honor of authenticating the keel for the Millinocket (JHSV 3).

Austal's JHSV will perform several valuable roles for our military, including the transport of Navy combat forces, Marines, Seabees, Coast Guard Law Enforcement detachments, and Army

personnel as well as equipment. It also has capability to support a helicopter and vehicles as large as an M1 Abrams tank.

Austal's first LCS, the USS Independence, recently traversed the Panama Canal on its way to homeport San Diego where it is undergoing Navy trials. On January 14, 2012, the Navy christened the second Independence-variant LCS, the Coronado. There are two additional LCS currently under construction in Mobile. Austal's LCS will be a vital component in the Navy's evolving mission of combating piracy and responding to threats along the coast.

Governor Bentley noted the importance of diversifying Alabama's workforce as well as growing jobs. Austal's unique mission adds to our regional and state economic strength, which has in recent years been bolstered by automobile manufacturing and a growing aerospace sector.

President's Energy Policy is Out of Gas:

Also last week the Associated Press reported that gasoline prices have taken a leap upward just as many Americans leave on road trips during the final weeks of summer. The new national average for a gallon of regular is \$3.67 – an increase of 34 cents since July 1. Average pump prices also shot up by 45 cents a gallon in Alabama over the same period.

While the White House has been quick to point out that energy price spikes are often the result of global conditions and refinery problems at home, they ignore the long-term cost trend which has been steadily increasing.

According to the U.S. Energy Information Administration (EIA), the average price for a gallon of gas has risen by 93 percent in the three years since President Obama has been in office. When President Obama was inaugurated, a gallon of gas cost \$1.89. Meanwhile, the president's policies of slowing and, in some cases, blocking all together, domestic energy exploration have not only helped to sustain higher gas prices, but have hurt an already weak economy, with unemployment stuck above eight percent for the last 42 months.

There is a better way. The House has passed more than 30 jobs bills, including legislation to

promote domestic energy development. The president and the Senate majority apparently don't think lower energy costs or energy sector jobs are a priority and they have refused to pass our bills. Their refusal to work with us will not deter the House majority from advancing new bills to free our economy and lower energy costs. And we will keep fighting until these bills become law.

My staff and I work for you. If we can be of service, do not hesitate to call my office toll free at 1-800-288-8721.

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